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FY09 Adjusted Standardized Amount (ASA) Inpatient Rates Overview

TMA UBO Support Staff

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Agenda



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- UBO Rate Updates
- Effective Date
- Background
- Process
- Contact Information
- Questions



UBO Rate Updates



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Type of Rate	Month(s)
Outpatient Itemized Billing (OIB)	July
Cosmetic Procedures	July
Pharmacy	August and January
Inpatient/Adjusted Standardized Amount (ASA)	October
Field/Tent/Non-Fixed Facility	As Needed



Effective Date



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- FY09 ASA Inpatient Rates effective date: 1 October 2008
 - Package also includes updated “Family Member Rate”



Background



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- Rates are developed using a DoD system wide average cost to provide care
- Rates are based on the direct care standardized cost per Relative Weighted Product (RWP).
 - The average standardized cost per RWP for hospitals in locations with area wage rates greater than 1.0, less than or equal to 1.0, and overseas is published annually as an Adjusted Standardized Amount (ASA) Inpatient Rate.



Background



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- The ASA Inpatient Rate is applied to the RWP for each inpatient case, determined from the TRICARE Diagnosis Related Group (DRG) weights, outlier thresholds and payment rules published annually under TRICARE.
 - The inpatient full billing rate per hospital discharge is based on the cost per DRG.
 - DRG weights reflect the intensity of hospital services provided to patients based on principal and secondary diagnoses, surgical procedures, and patient demographics.



Background Concluded



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- Each MTF that renders inpatient care has its own applied ASA Inpatient Rate.
 - Rates are adjusted for area wage difference and indirect medical education (IME) costs for the discharging hospital
 - Rates reflect resources consumed and cost of care specific to their MTF
 - Rates include both professional and institutional charges (7% of ASA Inpatient Rate = pro fee)



Process



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- Initiate development in June
- Extract MEPRS data
 - Medical Expense and Performance Reporting System (MEPRS) workload Data Pull (divided by cost data)
- Forward MEPRS data to DMDC



Process (cont.)



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- Compile data:
 - DMDC inpatient conversion factor
 - DoD Deflator (OMB Budget)
 - Asset Use Charge
 - Military Pay Raise Factor
 - Civilian Pay Raise Factor
 - Government Share of Unfunded Civilian Retirement Factor
- Outputs forwarded to SRA International, Inc.



Process Concluded



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- Data review and analysis
- Finalize rate package
- Submit for coordination and authorization
- Forward to UBO Service Managers for distribution
- Public Mediums
 - Publish in Federal Register
 - Post on DoD Comptroller website
 - Post on TMA OCFO UBO webpage
 - Publish announcement in TMA UBO Quarterly Newsletter



Contact Information



**Health
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- UBO Helpdesk
 - UBO.helpdesk@altarum.org
 - 703-575-5385



Questions???



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